



# THE PRO GUIDE TO BUYING WEBSITES

FIRST EDITION

# **The Pro Guide to Buying Websites**

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# Preface

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If you've never bought a website, the prospect of handing over your hard-earned dollars for an intangible asset might seem dubious—even dangerous. After all, even experienced website buyers can be caught out in the complex, often confusing world of site trading.

That's why we've put together this guide: to help you understand what's involved in buying websites, and to give you the tips and tools you'll need to navigate the unpredictable waters of online trading.

The reality of buying websites is that it entails a degree of risk. How much risk will depend on the legwork you do before you click the “Bid” button. The advice provided in this guide aims to help you accept, manage, and reduce as far as possible the degree of risk you face in making a purchase.

## Who should read this report?

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This report has been designed specifically for people who have never purchased a website before, or have little experience in the field.

It will also be of value to more experienced site buyers who are new to Flippa, since it explains much about the workings of this online property marketplace.

Different buyers have different motivations for making a purchase, and different sites demand different qualities from their owners. As such, this report will stick to the essential considerations that you'll need to make in purchasing any site. For more information on buying sites of a specific type, managing their transfer, or growing and developing them over time, keep an eye on the Flippa blog.<sup>1</sup>

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<sup>1</sup> <https://flippa.com/blog/>

## Feedback

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We welcome feedback on Flippa products and services—including reports like this one. You can give us your feedback directly in the support forum<sup>2</sup> or by emailing us at [feedback@flippa.com](mailto:feedback@flippa.com).

## Special thanks

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Many thanks to Justin Gilchrist from FlipFilter<sup>3</sup> for his valued input into this guide.

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<sup>2</sup> <http://flippa.uservoice.com/forums/17374-general>

<sup>3</sup> <http://www.flipfilter.com/>



# Chapter 1

## Define yourself

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The first step in buying a website is to define yourself—to be clear about your skills, desires, expectations, available resources, and other factors we'll discuss in the coming pages.

Once you've clarified these aspects, you'll be able to narrow the focus of your search for the perfect site. You'll save time, effort, and money, since you'll know that the sites you're considering meet the criteria you've defined. In this chapter, we'll look closely at those criteria, including:

- your motivations for buying a site
- the topics that interest and excite you
- your technical skills
- your marketing skills
- the time you have available to spend on the site
- the amount of money you have to spend
- the payback timeframe you're anticipating
- your exit strategy

## Your motivations

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What are your motivations for buying a website? Are you looking to develop a passive income stream that earns while you sleep, holiday, and work a day job? Are you seeking a site that you can turn into a business—an active income stream—so that, eventually, you can quit your day job to work on your site? Are you looking for a fun hobby site, or one that will provide search engine benefits to another website you already own?

Identifying your motivations up front is extremely important, so be honest with yourself about what you're genuinely hoping to get out of this exercise. While your motivations may change over time, you need to know what's motivating you now, today.

For example, let's assume that you want to buy a website to generate a passive income. It'd be nice to have a little extra cash coming in, wouldn't it? For one thing, it would make that holiday you're planning to take in Mexico next spring a whole lot more affordable, but it could also be handy after that as you save to buy a home.

As you can see, outlining your motivations as simply as this already indicates a few criteria for your purchase: you want to buy a site that's going to generate an income within the next eight months, for example. You also want a site that has some longevity, and the potential to evolve and generate an income for years to come. As we're about to see, this information will impact the other questions we need to ask.

## Your interests

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If you've spent any time in website-buying forums, you'll have heard people stress the importance of having a passion for the topic of your site.

What happens if you lack passion for your topic? What if you don't feel a natural connection with, or curiosity in, the subject of your site? You'll have a hard time mustering the energy to work on it, understanding the motivations of the people who use it, or marketing empathetically to your site's audience.

When you're thinking about your interests, put aside the basic motivation that we considered a moment ago. Okay, so you want to earn a passive income. Fine—that's on the list. But what are your *interests*?

In the example we're considering, we already know two of your interests: travel, and purchasing your own home. If we drill down into these interests, we'll likely find out more. Perhaps you're particularly interested in Mexico, in Latin American prehistory, or in remote-location or extreme camping. Perhaps your family lives in Mexico and you're going to visit them. Perhaps you're traveling there on secondment from your day job. Perhaps you're going because you want to brush up on your Spanish.

As you can see, there are plenty of options—and we haven't even considered your interest in buying your own home yet! Any of these interests could help to shape your approach to buying a website. If you know Spanish and want to keep your language current, perhaps you'd consider buying a site that had potential with a Spanish-speaking readership. If you're into remote-location camping, maybe you'll look for a site that focuses on outdoor pursuits, camping, or extreme sports, in the hope that you can develop it to address your particular interest.

Considering your interests carefully can also help you begin to think about their profit potential. Take your interest in the Spanish language, for example. The Web's Spanish-speaking userbase continues to grow at a faster rate than its English-speaking counterpart, and competition in the Spanish market has been less intense. So there's considerable monetization potential for sites that target Spanish speakers, and that potential may exist in a range of categories and topics.

Now let's have a think about your interest in remote-location camping. Since it's an extreme sport, the audience for content focused on this interest is going to be smaller than that for Spanish content. However, extreme sports tend to be pretty expensive, and those who engage in such sports are usually prepared to spend money on them. So although you might share this interest with a smaller number of people, those people might be more willing to spend money within the niche—potentially through your new website.

Giving some thought to the profit potential of your interests even at this early stage can help you to make the right decisions further down the track. Of course, you'll also have interests other than the reasons why you want to buy a site, and those could help shape your choices, too. For example, imagine I want to run a site as a hobby, and toying with website code is my special interest. If that's my primary reason for wanting to buy a website, I'm lucky—practically any site I buy will let

me indulge that interest. So I'm free to consider my other passions in choosing the site's topic. I might, for example, want to give back to my community somehow, or support a cause that interests me, and *that* interest could drive my search for the perfect site.

Think carefully about your interests and passions. Identify topics that genuinely excite you, and give some thought to their profit potential. After all, if you choose wisely, your site could be growing for years to come. You want to really enjoy it.

## Your technical skills

It's crucial that you accurately and objectively assess your current technical skills, as well as gauging your ability to develop them further.

If you don't have the technical skills required to maintain and develop the site you buy, you'll either face what could be an overwhelming workload as you scramble to learn what's required, or have to pay someone else to do the technical work for you. It's best to acknowledge and accept your technical skills—and limitations—now, so you can accurately anticipate the resources you'll need to run your site in a way that meets your other expectations.



### Phone a friend

Not sure whether your HTML skills are intermediate or advanced? Convinced your PHP capabilities are stellar? Double-check with a friend whose own technical skills—and honest opinion—you respect. An independent assessment of your capabilities might help you get a clear idea of the kinds of sites you should, and shouldn't, consider buying.

Make a list of all the technical capabilities you have, and rate them so that you have a clear picture of your strongest skills. This exercise will also highlight the areas where you could develop greater capability—that will narrow the field of sites to consider, and may help you choose between potential purchases when the time comes.

## Your marketing skills

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As we know, website marketing can take a variety of forms: advertising, search engine marketing, affiliate programs and cross-promotions, social media and bookmarking—and they’re just some of the *online* possibilities. Which aspects of marketing have you had experience with? Which are you confident with? Think about your skills, perhaps making brief notes that you can refer to as you peruse the for-sale listings.

Then, each time you find a site that sounds good, you’ll be in a position to assess how your capabilities might suit—and advance—the site. You’ll know immediately how well your skills suit the marketing approach that’s currently being used to promote the site. And if the seller can provide you with information about the success of each tactic he or she has used, you’ll quickly see how your skills could enhance the site’s marketing.

For example, if you’ve had a lot of experience with offline marketing, but little other than ad sales in the digital space, you might face a big learning curve if the site you’re considering has a low search engine rank and attracts little organic search traffic. Consider boning up on the basics of SEO so that you’re not relying on search advertising for the search traffic your site attracts.

On the other hand, your offline marketing skills might be well-suited to the promotion of a site that’s geographically targeted—for example, a site that serves users in your town or region. If you find a site that meets the needs of your local market, but hasn’t been promoted offline, you may perceive solid potential for a broader marketing approach in which your skills can add real value—and significantly boost traffic and audience numbers.

Again, making a list of your marketing skills and experience is a good idea, so that you can refer to it periodically as you search for sites to purchase. By reminding yourself where your strengths lie and what aspects of marketing really interest you, you can focus on sites whose marketing will be an intriguing experiment rather than a big burden.

## Your available time

There are far too few hours in the day! Underestimate how much time you have to spend running, maintaining, and upgrading your new acquisition, and you may wind up overwhelmed and overworked. That's the best-case scenario; the worst is that you'll give up on the site entirely, sticking your head in the sand and losing the value of your investment in the process.

Few of us buy a site with the intention of spending 40 working hours on it each week. For almost all website buyers, the new acquisition is a sideline either to paid work, a portfolio of existing online properties, or the other aspects of our busy lives. It's important to be realistic about the amount of time you can reasonably put into building up the site you buy.

Time isn't just about hours in the day or spots in your schedule. It's also about you forming realistic expectations of the timeframes in which you'll be able to make things happen on your new site, or reach particular milestones. There's no point setting a goal—attracting a given number of subscribers by the year's end, for example—if you only have a couple of hours to dedicate to that task between now and December 31.



### How much time?

When you're adding up the hours you have available each week to work on your new site, keep in mind the fact that you'll likely have to do routine maintenance and running tasks in that time, as well as longer-term site-building activities like strategic marketing, redevelopments, and so on. So when you see a seller estimate that their site takes ten hours a week to run, don't think, "Great! I've got ten hours! This is perfect." Remember that running a site doesn't necessarily mean developing and improving it—those ten hours are likely needed just to keep the thing ticking over.

To build and improve that site, you'll need more than ten hours a week. How much more? That depends on the nature of the site, your skills, and the goals you have for it. Itemize these considerations as part of your site assessment process, and estimate how much time each might take. Then, and only then, will you have any idea how much time it may take to make the site you want to buy a real success.

Your available time will help determine what you're able to achieve with the site you buy. It should also help you to eliminate sites whose day-to-day running requires more time than you have.

## Your available funds

Obviously, a key element of an acquisition is the price you can afford to spend on a website. While you may be willing to pay more for a site that meets your particular needs, it's best to come to grips with an actual figure that you're looking to spend *before* you start researching properties.

Having a figure in your head will help you eliminate offerings that are simply out of the ballpark. It will also help you work through negotiations with the seller when the time comes. A spending limit may also make you smarter about negotiating certain benefits as part of the sale package—domains, a handover period, and so on—rather than simply taking whatever the seller offers.



### Should I borrow to buy?

If you're considering borrowing money to buy a site, do your homework. Most financial institutions won't lend you the money without seeing firm and detailed business plans, financial records and projections, and so on. To borrow from friends or family can be just as challenging, but in different ways. An inability to replay the debt if things go wrong can cause family tensions, damage relationships, and put people you care about in financial hardship.

Borrowing to buy website is a big risk; make sure you're aware of, and comfortable with, the potential for fallout before you commit to borrowing the money.

A spending limit can help you focus on sites that represent *value*—rather than simply having the right price. Let's say you have \$1,000 to spend. You find two sites, priced around \$400 each. Neither is very developed, but you could buy both and work on them if you wished. Then you find a site for sale at \$990. It's better developed, has a larger audience and subscriber base, and a greater potential in the immediate and longer terms. If you want the get the biggest bang for your buck, you'll most likely dedicate your time to doing due diligence for this more expensive site, since it represents better value even at first glance.

Finally, having a spending limit may allow you to make practical, goal-oriented plans for the site you buy—and eliminate options that don't fit the bill. Let's look again at those two sites you can buy for \$400 each. That sounds good—and you'll still have \$200 to play with! But on inspection, you may realize that bringing those sites up to a standard you're happy with—and that puts you on a path to reaching your goals for the sites—will require technical skills you don't have. You'll need to pay a professional developer to do that work. How much? You'll have to get an estimate to find out. You also want to try using pay-per-click advertising to promote the sites, so you'll need to spend a couple of hundred dollars on a trial. Suddenly, it's looking a lot like you'll only be able to afford one of those \$400 sites, not both.

## Your payback expectations

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This consideration combines a number of the factors we've already looked at: your motivations for buying the site, your available time and skillset, and the amount of cash you're willing to spend on a site.

Your payback expectation refers to the timeframe in which you want to break even on the site—that is, the timeframe in which you want to make from the site the amount of money you've spent on it. If you bought the site for \$2,500, when will you want the site to have earned you \$2,500? How much of your own time are you willing to put in before you earn that value?

If you pay others to work on the site once you've bought it, add those figures to the purchase price to arrive at an overall sum you'll need to earn to break even on the purchase. You'll also likely spend time maintaining, promoting, and building the site you buy, and perhaps you'll decide that you'd like to generate a certain return on that time as well.

In the case of our example—the passive income website—we know that you intend to use that income to go to Mexico next spring. That means that you'll have to have broken even *before* spring, because you want the site to generate cash that you can use for the trip. If it only breaks even the week before you go, you'd be better off to simply save the money you're planning to spend on the site, because that would likely entail a lower risk than making this investment.

Deciding in advance roughly when you hope to have earned back the money you invested to buy the site will help you to discern between viable deals, and deals



that look good on the surface, but actually aren't all that great. Setting a reasonable payback expectation for yourself up front is one of the factors that will help you make a smart purchase decision.

## Your exit strategy

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Remember the first question we asked, about your motivations for buying the site? You'll probably revisit those motivations as you define what your exit strategy is.

An exit strategy basically outlines what you intend to happen to end your involvement with the site you buy. The last thing you'll want is for the site to simply waste and die—that's no way to manage an investment that will take hours of your time, as well as a sum of money, to create. Options for your exit strategy will vary depending on the reasons why you're considering buying the site. You may want to:

- sell the site to someone else for a higher price than you paid for it
- merge the site and its userbase with a website you already own
- develop the site to be self-sustaining within two years, so that it takes you no more than two hours each month to run, yet provides income for the other online ventures you're involved in
- keep running and improving the site until you die, at which point you'll will it to a relative or friend

As you can see, defining your exit strategy is valuable because it can help you to assess how appropriate various sites are to your goals. If you give your exit strategy a timeframe, as we did in the third point above, you'll be able to investigate how likely a site you're considering is to let you achieve that objective within the timeframe you've set. If the site can't be made self-sufficient within your two-year limit, you can eliminate it from your list of potential candidates.

## Putting it all together

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The world of buying websites is fast-paced, exciting, and heady. It's all too easy to get carried away on the spur of the moment and regret your actions later. In this chapter we've outlined a series of factors the astute buyer will define before

searching for websites to buy. By working through the points we've discussed here, you should end up with:

- an understanding of your motivations for buying a site, and topics that interest you
- an understanding of your technical and marketing strengths and weaknesses
- time and financial investment limits
- a payback timeframe for the investment
- a timed plan for exiting your involvement with the site

You can see how each of these considerations plays into all the others. You can also see that this knowledge can help you to set specific, measurable, attainable, realistic, and timely (SMART) goals by which you can gauge the success of your efforts to run and develop the website you buy.

Rarely will any one of these factors be a deal-maker or -breaker. Most commonly, it's a combination of elements that will propel you to purchase a certain website, or eliminate it from your considerations. But knowing what you want, and why, can smooth the path to finding suitable candidate sites, and reduce not just the time you spend researching sites, but also the risk you take in making a purchase.

Now that we've spent a little time looking inward, it's time to look outward, at the market in which you intend to buy.

# Chapter 2

## Define your search

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You know what you want. But where will you find it? The answer lies in carefully defining the kinds of sites you'd like to buy.

In the last chapter, we defined a set of criteria that reflected your needs and expectations, and should have helped you clarify what you'd consider "success" in buying and improving a website.

In this chapter, we'll take those criteria and transpose them into actual search parameters that you can use to find properties for sale that might suit your needs. The key parameters we'll define are:

- the niche
- technologies
- your budget

Let's get started.

## Defining the niche

---

In the first chapter, we defined your interests and motivations. Look at those, and you should be able to apply them to a niche fairly easily.

If you recall, we imagined you wanted to run a site that generated a passive income, since you work full-time, and you were hoping to save some extra money to go to Mexico next spring. A passive income site is one that generates income on its own, without your having to constantly work to update its content or offerings. That means that some types of sites won't be appropriate for you. You may not want to buy a forum site, for example, if it needed ongoing, regular administration in order to keep visitors coming back, and revenue coming in.

The other aspect of defining your niche is, of course, to look at your interests. We considered a range of interests that you might have in the previous chapter. Now it's time to look at the market niches they might represent.

Let's say that your interest in visiting Mexico next spring stems from your abiding passion for Latin American prehistory, and camping, and that you've made various friends on past camping trips to the country. As we saw above, you also know Spanish. You feel excited by the idea of running a site that relates somehow to these passions. The kinds of niches you might consider include:

- travel in Latin America
- camping in Mexico
- Latin American history
- Latin American archaeological sites
- traveling in Latin America for Spanish-speakers

You have a number of niches here. Rather than immediately setting your heart on one or another, try to keep your options open.

To get an idea of the potential of each niche, you'd search for those keywords on Google (to get a feel for the kinds of sites that already operate in the niche) and undertaking a little keyword research using the Google AdWords keyword research tool.<sup>1</sup> As you can see in the figure below, the tool offers two services: a Keyword

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<sup>1</sup> <https://adwords.google.com/select/KeywordToolExternal>

Tool that indicates phrases that resemble the keywords you’ve entered, and a Traffic Estimator that tells you the number of searches logged for those keywords each month around the world. For this example, we’ve entered the search phrase “travel in Latin America” and selected English and Spanish as the search languages that we’re interested in.

**Google AdWords** | [Help](#) | [Sign in](#)

**Tools**  
[Keyword Tool](#)  
**[Traffic Estimator](#)**

★ Starred (0) Show

**Summary (per day)**  
 Average Estimated CPC  
 \$0.88 - \$1.26  
 Total Estimated Clicks  
 0  
 Total Estimated Cost  
 \$0.02 - \$0.09

**Help**  
 How do I get additional keyword ideas using categories or related terms?  
 What new features does the updated Keyword Tool offer?  
 How do I use the keyword tool to get keyword ideas and traffic estimates?  
 Why do search traffic statistics...

**Get traffic estimates**

Word or phrase (one per line)  
 travel in latin america

Max CPC \$  
 Daily budget \$

☐ Advanced options

**Locations and languages** Location: [Edit](#)  
 United States

**Match types** As entered

**Estimate**

[About this data](#)

Download	View as text	Sorted by: Relevance	Columns
<input type="checkbox"/> Keyword	Global Monthly Searches	Local Monthly Searches	Estimated Avg. CPC
<input type="checkbox"/> travel in latin america	3,600	1,600	\$1.07
			Estimated Ad Position
			1.5
			Estimated Daily Clicks
			0
			Estimated Daily Cost
			\$0.05

Show rows: 50 | 1 - 1 of 1

Figure 2.1. Using the Google AdWords Traffic Estimator to research a niche

As you can see, this phrase is currently attracting 3,600 global searches monthly, 1,600 of them locally. The phrase “travel in Mexico” logs 135,000 global monthly searches and 90,500 local monthly searches. This might encourage you to narrow your niche to focus specifically on Mexico—or to swap “Mexico” in that search phrase for some of the other Latin American countries whose history interests you. Next, you might research the niche topic of historical sites in Mexico, and possibly other Latin American countries, to see what the competition and search traffic is like for those niches.



## AdWords values

This tool also provides you with estimates of the amount you’ll pay if you buy AdWords advertising for the keywords you’re searching on. This can be really handy if you’re thinking of generating an income for your site using online advertising.

By a process of trial and error, you'll gain a feel for which types of information are in greatest demand. Do some web searches in those niches and you'll learn who else is operating in that space, and what they offer. You may also get ideas for techniques you could use to generate a passive income from your site—affiliate products you could offer, advertisers you could approach, and so on.

Camping in Mexico may seem like a narrow niche, but it's important to remember that while that's the niche you want to operate in, it's not necessarily the niche in which you want to search for properties. You might set up a search for sites that are for sale in the travel, vacation, holiday, and camping niches. In fact, a search for “camping” on Flippa turned up 108 results at the time of writing.

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## Defining the technology

In the previous chapter, you listed your technical skills, and perhaps rated them so that you had an objective idea of where your technical strengths lay. As you define your search, it's a good idea to drop those technologies into the mix. This way, you'll avoid trawling through search results for sites that use .NET if you're a PHP whiz, for example. And if you're planning to use a developer to help you work on the site, include the technologies they're proficient with among the search terms you set.

If your technical skills are minimal, and you'd like to restrict searches to sites that, for example, use a standard content management system and interface, such as WordPress, keep that requirement in mind as you review the results of your search.

Don't let a lack of technical capabilities lead you to think you don't need to list any technology-related search parameters. Instead, define the content management, ad management, and other systems you *do* want to use.

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## Defining the budget

We set a spending limit for your purchase in the previous chapter. Most website listing sites will encourage you to enter a price range to refine your search, and you may consider entering a maximum price that's slightly higher than your spending limit if you're confident of your ability to negotiate potential sellers down to your level.

On the other hand, as we saw earlier, your spending limit may represent the total of the funds you have available to spend on the site in the immediate future. This means that you'll have to deduct any other expenditures—on development, redesign, marketing, or other activities—that your purchase will require from that overall sum. In that case, a decision to spend all your funds on the purchase itself would only be wise if you yourself could handle any extra work you needed to do to optimize or improve the site in the foreseeable future.

The lower end of the price range you enter is also important. Look around at sites on offer in the lower price ranges, and you'll soon identify a rough price point at which the listings begin to reflect the level of site you're after. Make this the lower end of your price range. Otherwise, you risk wasting time and energy reviewing sites that don't meet your needs for the other criteria you've defined for your purchase.



### **Is my budget reasonable?**

Spend an hour researching the sites for sale in your niche, or related niches, and you'll be able to glean a fair picture of what you can get for the budget you have available. This is the best way to adjust your expectations to a reasonable level. Try not to be swayed by bargain-basement-bonanza stories about buyers who have landed incredible sites for rock-bottom prices. Instead, focus on developing reasonable expectations about what's fair, and what you can, and want to, get for your money.

## **Using search tools and alerts**

Now that you've defined the three key criteria you'll use to search for available online properties—the niche, technologies, and budget—it's time to plug that information into a search tool.

Let's look at the Flippa search tool as an example.

By default, this tool lets you enter a keyword (reflecting your niche, or a related niche, perhaps) and provides preset searches based on price ranges, revenue figures, and PageRank, for example. But this tool also lets you refine your searches on a number of important variables, including the listing type (auction or private sale), the website type (established sites, new sites, domain-only listings), and so on. If

you click on the parameter you want to use to refine your search, you'll be able to specify your preferences for that parameter. Of course, you can also add specific keywords to restrict your search further. A detailed post on the Flippa blog explains these refinements in detail.<sup>2</sup>

So for the site we're searching to buy, we might select a price range of \$500–2,000, and select new and established sites (leaving domain-only sales unchecked), as shown below. We could also refine our initial keyword search, for “camping,” to also include listings for “vacation,” “outdoors,” and so on.

The image shows the 'Refine This Search' sidebar on the Flippa website. The sidebar is divided into several sections with expandable/collapsible headers:

- LISTING SPECIFIC**
  - Listing Format**
    - ☒ Include Auctions
    - ☒ Include Private Sales
  - Property Type**
    - ☒ Include established websites
    - ☒ Include new websites
    - ☐ Include domain-only listings
  - Auction Status**
    - ☒ Still open
    - ☐ Ended in the past week
    - ☐ Won Only
    - ☐ Exclude Won
    - ☐ Ended Only
    - Ends in less than  hours
    - ☐ Featured listings only
    - ☐ Include archived auctions (slow)
  - Auction Price**
    - Between \$  and \$
    - ☐ Reserve price has been met
    - ☐ Has a **Buy It Now** price

To the right of the sidebar, a list of search results is displayed, each with a URL, a title, and an 'EST' (Estimated) value:

- <http://www.FitnessMuscleBl...> EST F
- Rare Buy! \$500/mt Poter**  
<http://www.SportGuideOnlir...> EST F
- Hair Loss Niche Blog, \$1**  
<http://www.TopTreatmentsF...> EST J
- Camping Outdoors Niche**  
<http://campingagenda.com/> EST J
- Rare Buy! 2 AUTOBLOC**  
<http://www.OnlineCampingC...> EST J
- Hair Loss Niche Blog, \$1**  
<http://www.TopTreatmentsF...> EST J
- Rare Buy! \$500/mt Poter**  
<http://www.OnlineCampingC...> EST J
- 4 Amazing Niche Adsens**  
<http://Yurthomes.org/> EST J
- FAST SALE! Lucrative O**  
<http://www.gpoutdoors.com> EST M
- Camping Outdoors Niche**  
<http://campingagenda.com/> EST J

Figure 2.2. Refining our search for properties on Flippa

<sup>2</sup> <http://flippa.com/blog/advanced-search/>



Once you’ve set the preferences for specific search variables, click on the “Update Search” button to see all the listings that meet your needs. Most website listing sites and services operate similarly to this basic model, though their individual search facilities may vary. Like most sites, Flippa displays a “Save Search” button that, if you click on it, will save that search to your Flippa account (you’ll be asked to log in first, if you haven’t already done so). This way, you can easily check listings that meet your chosen parameters, any time you visit the site.

But what about the times when you’re not logged into Flippa? A handy tool that ensures you never miss a website listed in your category is automated alerts. Again, most website listing sites will offer automatic updates via email or RSS; at Flippa, you can request automated RSS alerts by clicking on the “Subscribe to this search” link shown in the image below to subscribe to an RSS feed. These alerts let you know whenever a new listing appears that meets the criteria you’ve set, and they’re a good way to stay on top of the sales activity in your niche, and those related to it.

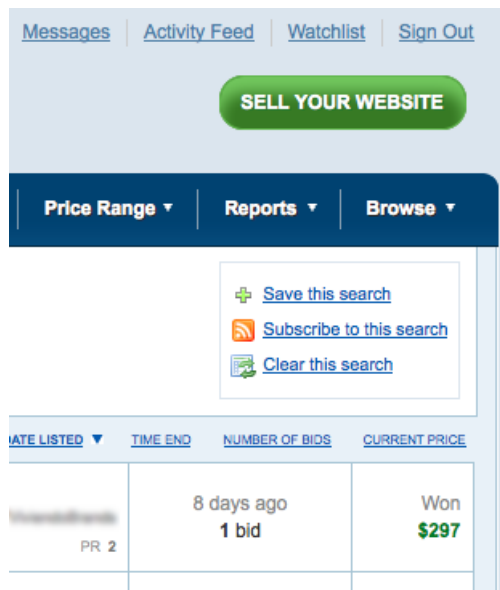


Figure 2.3. The automated alert options on Flippa

## Putting it all together

In this chapter, we’ve turned your dreams of website ownership into actions. We’ve transposed what might have seemed like nebulous concepts—your interests and

motivations, among other things—into real-world search criteria, and we’ve used them to create and save searches on Flippa. We’ve also subscribed to automated RSS updates from the site, which will take all the hassle out of your website search.

As we explained, any website listing site worth its salt will offer similar search functionality that makes it easy for you to access website listings that meet your criteria. Now, you can sit back and wait for the listings to come rolling into your RSS feed. Easy!

Well, sort of. The adventure is only just beginning. Having website alerts sent to you is one thing; wading through them is another. And actually identifying gems among the everyday listings is something else entirely. This is what we’ll look at next.

# Chapter 3

## Understand the opportunity

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So, a website listing has popped up in your alerts, you've checked it out, and you think it looks good. Great! But ... how can you tell a good website from a poor one? How do you glean the information you need from a website listing? How can you ensure you don't miss potentially great buys?

Before you hit the "Bid" button, you need to do your research. Research reduces risk, and the chance that you'll end up buying a dud, being ripped off, and losing your money (and self-respect!).

As a site buyer, you need to develop skills in assessing the offerings that come your way in website alerts. When a website catches your eye for some reason, you'll want to drill down in order to really understand the nature, breadth, and depth of the opportunity it represents. That's what this chapter is all about.

Understanding the opportunities you spot entails two key components: knowing the site that's on offer, and knowing the seller who's offering it. In the coming pages we'll look at these considerations in detail, assessing everything from traffic and revenue stats to seller testimonials and personal details. We'll wrap up by looking

at the most common pitfalls you’ll face as you research an opportunity, and explain some tips to avoid them.



**Hone your search**

If your alert keeps sending you sites that don’t meet your needs, consider heading back to Chapter 2 and revising your search criteria further. Within a short space of time spent reviewing inappropriate listings, you’ll be able to identify where your search has room for improvement. Continuously honing it is a good way to maximize your exposure to desirable properties, and fast-track your education in website buying.

# Knowing the site

Any website listing will contain information about the website—its vital statistics, so to speak. Here’s an example: one of the listings on Flippa.

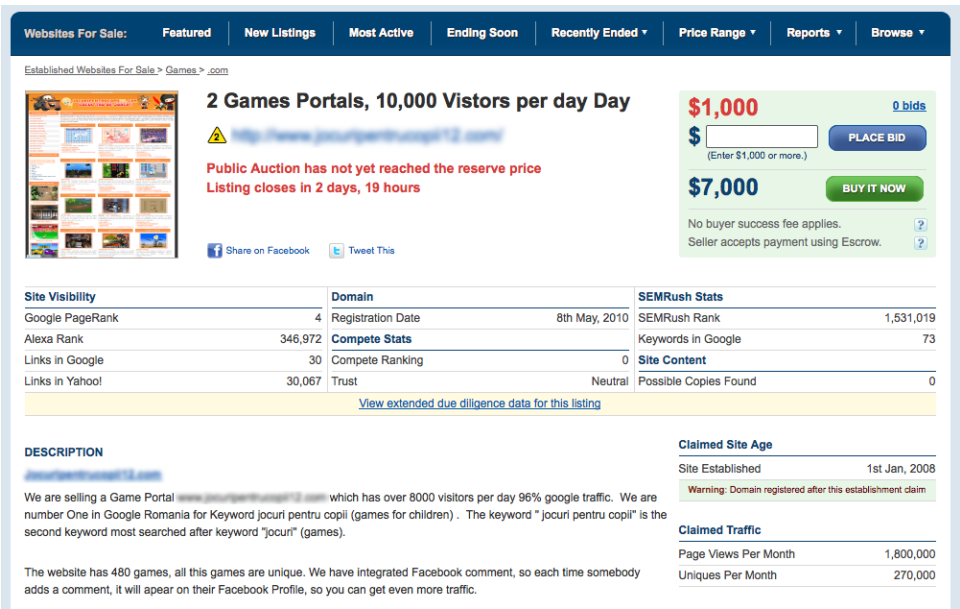


Figure 3.1. A website listing on Flippa

The level of detail in a website listing will depend on the data requirements that the listing site places on sellers, and the seller’s own willingness to provide information. Some sellers will provide as much information as they possibly can; others

may want to keep information out of sight of the general public—though they may be happy to give it to you if you contact them directly and ask for it.



## Ask questions

The fastest, easiest way to get access to the information you need is to ask the seller directly. At Flippa, the best place to ask your question is in the listing's comments section, which is pictured below.

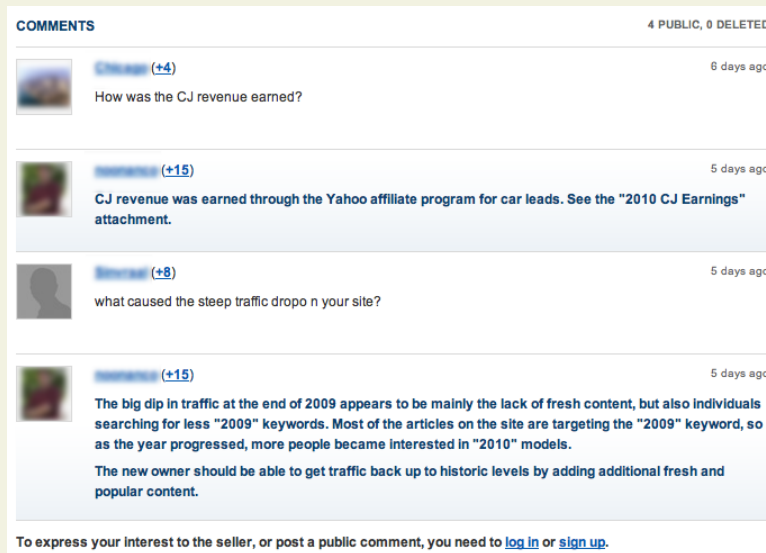


Figure 3.2. Asking questions of a Flippa seller

The public comments on Flippa allow for clear communication between the seller and all potential buyers. They're a good way to get a feel for how helpful and open the seller is—not just with you, but with other potential buyers of the website.



## Keep watch for Flippa warnings

Flippa automatically provides warnings when it's identified that the data the seller has entered doesn't add up, or disagrees with the information verified with independent, third-party sources.

For full details of Flippa warnings, see the Flippa Help pages on this topic.<sup>1</sup>

<sup>1</sup> <https://flippa.com/help/topics/warning>

The details you'll most likely consider—and those which form the basis of almost every website listing—are traffic, revenue, and content-related data. There may also be a range of extra information you'll want to research.



### No data?

Some of the listings you review may include little or no data about the website. Perhaps it's brand new and has no traffic or revenue. Perhaps the Facebook page is set up, but its only fan is the site seller. Perhaps the content's not original, either.

How will you know what's a fair and reasonable price for this site? You won't. It's virtually impossible to predict the value of site that has no operational history.

Given the plethora of free content management systems, click-to-go design themes, and sites like 99designs.com<sup>2</sup> and Fiverr.com<sup>3</sup> that offer professional skills at bargain rates, you'd likely be better off spending a rainy afternoon creating your own site from scratch than paying too much good money for one on which you can't yet predict any kind of return.

## Traffic

It's easy to assume that higher traffic levels translate to a higher website price—but the equation is rarely that simple.

Traffic isn't just a number: traffic means *people*, and those people are your audience. Recall the goals that you've defined for your site. Your audience will play a large part in whether or not you achieve them. So traffic is extremely important.

The first step to take is to review the site's historical data for **pageviews**, or “impressions,” and **unique visitors**, or “uniques.” You can think of uniques as indicating the site's reach or penetration within a given market segment, and pageviews as representing the site's popularity within its audience. Unique visitor figures may also represent the site's potential to generate revenue through direct product or service sales, while pageviews represent the potential for online advertising revenue generation.

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<sup>2</sup> <http://99designs.com>

<sup>3</sup> <http://fiverr.com>

If you can, obtain data that spans the site's entire history—this will give you an idea of how the audience for the site has developed and the pace at which it's grown. You may also spot jumps or dips in traffic levels that you can ask the seller about. Their answers may give you insight into the nature of the audience, as well as traffic-generation tactics that have or haven't worked in the past—information that may well influence your buying decision.



### Just the stats, ma'am

If the website listing doesn't contain all the traffic data you want to see, contact the seller and list the information you would like access to. If the seller's hesitant to give you any information, take that as a warning sign: they may be trying to hide something that's buried in the data, or they may have falsified the information in the website listing.

Once you've got your head around the basics of the site's traffic levels, look deeper at the nature and quality of the traffic the site's attracting. There are a number of factors to consider here:

#### Stickiness and bounce rates

A site's **bounce rate** describes the percentage of visits that don't extend beyond the first page of the site they land on. Couple this figure with the average pages-per-visit and time-on-site stats, and you'll have a good idea of the depth in which visitors tend to use the site on the occasions they visit. A high bounce rate may indicate that the users have difficulty finding information they're interested in, or that they visit the site frequently, so they don't really need to look into the content archives—check the returning visitor stats to see if they support this conclusion.

#### New or returning visitors

Statistics packages like Google Analytics<sup>4</sup> contain new and returning visitor data, which can be a good gauge of site users' loyalty, as well as how effective the owner's efforts to reach new audience members have been.

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<sup>4</sup> <http://www.google.com/analytics/>

### Country of origin

Audiences in some countries are regarded as being easier to monetize than those from other locations. As such, traffic from developed, wealthy nations may have a greater potential value than that from less developed countries. Of course, the value of the traffic will also depend on the nature of your site and what you're selling or advertising—don't forget cultural considerations as you assess this factor.

### Traffic sources

The sources of the traffic the site attracts are also an important consideration.

Visitors who reach the site using search engines may be more likely to read the information they find on the site. In some cases, they may represent a good opportunity to gain new loyal site users. Traffic that reaches the site directly—these users have already bookmarked the site, or remember its URL—are most likely to be loyal visitors who are conscious of the value the site offers, and respond to its advice and recommendations. Traffic that comes from backlinks on other sites may be difficult to turn into a loyal audience in particular market niches where backlinking is common and word-of-mouth recommendations are often given for affiliate marketing purposes.



#### Has traffic been bought?

Some unscrupulous site owners may buy traffic in the months leading up to listing their site for sale. That's why it's important to view the traffic stats for as many months as possible (more on this below), and to look beyond total traffic figures to understand where the traffic is originating, and why.



#### Ask for Google Analytics

Google Analytics does not include robot traffic in a site's visitor statistics, but other packages do. To be on the safe side, always ask for Google Analytics reports for the sites you're researching.





### Is that verified?

Good website marketplaces will verify at least some of the stats that the seller presents. On Flippa, Google Analytics stats are verified, among others. Once this is done, the document is marked as such, and appears in the listing as shown below.

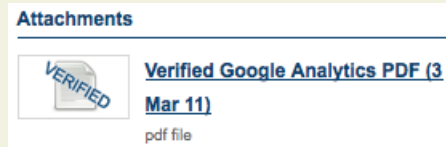


Figure 3.3. Verified statistics displayed on a Flippa listing

Check the Due Diligence page for every Flippa listing you're researching; specifically, look at the Technology Used section. If that shows that the Google Analytics package has been applied to the site, but the Analytics reports aren't included with the listing itself, beware: the site owner might be trying to keep some information about the traffic hidden from potential buyers.

For more on data verification, see the Flippa Help page on this topic.<sup>5</sup>

### Historical data

When you're reviewing a site's traffic data, the more you have—and the further back in time it stretches—the better. So try to get stats back as far as possible, ideally to the date the site was launched. Think of stats as a months-and-years proposition, rather than a matter of days and weeks.

Take a look at historical data and you'll be in a position to identify any sudden jumps or slumps in traffic levels, or traffic from particular sources, which can tip you off to potential problems (e.g. traffic fell when the site was banned from a certain directory or search engine). Also be particularly cautious about sites whose traffic has risen considerably in recent weeks or months—as mentioned above, this may indicate that traffic has been bought to make the site more appealing, or that the site owner is using some other unsustainable means of attracting low-value, non-repeat visitors.

<sup>5</sup> <https://flippa.com/help/verify-listing-data>

When you ask the site owner for more information about certain traffic events that show up in this historical data, be sure to do your own independent research to back up whatever claims they make. If the owners say a new site design attracted—and kept—more visitors, check the Wayback Machine<sup>6</sup> to confirm the rough date the new design launched. If they say traffic spiked when they bought some advertising on a leading site in the niche, contact that site to ask for confirmation of the deal. Check the validity of every piece of information you can with external, third-party sources.

As you’ve probably guessed, it’s difficult to make blanket statements about traffic data. What’s appropriate for a given site will depend on the site itself, its objectives, its history, and its audience. Whatever the stats are, though, your job is to understand what they say, in composite, about the audience and the site you’re considering. To buy a site without understanding its traffic data is a big risk—and one you should avoid.

## Revenue

Every website listing is likely to include a revenue figure of some sort, and ideally, will also identify how that revenue was generated.

Like traffic figures, revenue isn’t just revenue. You need to consider a range of contributing factors in assessing a site’s revenue figures:

### **Traffic levels**

How much traffic has been required to generate the revenues? Does a particular audience segment account for a disproportionate amount of revenue?

### **Monetization methods**

How has the revenue been achieved? Are there obvious methods that the site owner hasn’t tried, and if so, why haven’t they been used? A gap in the revenue strategy may simply indicate a lack of time or experience on the site owner’s part, or it may suggest that the audience is difficult to monetize in certain ways. Each Flippa listing includes an at-a-glance overview of monetization methods, which looks like the one shown here.

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<sup>6</sup> <http://www.archive.org/>

Monetization Methods	
Advertising Sales	Yes
Product or Service Sales	Yes
Affiliate Income	Yes

Figure 3.4. Listing the methods used to monetize a website at Flippa

## Expenses

What has it cost the seller to generate those revenues? Don't just consider financial outlays—look at time invested in development, marketing, and maintenance too.

## Revenues over time

Are the revenue levels rising, falling, or constant? What does their performance over time say about the site's long-term monetization potential? Again, by reviewing these figures and asking the seller pertinent questions, you may be able to perceive opportunities for the site's monetization, or identify it as a dud.

You should be particularly careful when you're assessing the revenue figures provided with a listing. Watch out for listings that only include average monthly revenue claims, as these may hide revenue instability, or the fact that the site hasn't been online for very long. Also beware of revenue estimates, which are identified on Flippa with a warning, as shown here.

Claimed Financials	
Gross Revenue ( <i>per month est</i> )	\$10,000
Net Profit ( <i>per month est</i> )	\$7,000
Warning: The seller has provided estimates ( <a href="#">read more</a> )	

Figure 3.5. A revenue estimate warning on Flippa

An **estimate** is just that: a projection of how much revenue the seller feels the site could earn, or an approximation of how much they reckon the site has earned.



### **Beware “projected revenue”**

Often, sellers who have no data to back up their revenue claims, or have no revenue to show, will try to make their site seem more appealing by including projected revenue figures. As we explained in this detailed blog post on the topic,<sup>7</sup> projected revenues always need to be taken with a grain of salt. Don’t accept them at face value. Instead, do your own research, and prepare your own revenue projections based on what you’ve found out about the site, its audience, its offering, and your skills and plans for its future development.

Any sellers who care about their sites (and their cashflows) will have the figures to back up their revenue claims, so take extreme care with any estimates. Even the most honest, well-meaning sellers are likely to overstate the revenue potential of a site that they’ve slaved over and loved—it’s only natural. Instead, focus your attention on sites whose revenues can be verified, and that have some longevity so that you can understand how they’ve changed over time. This really is the best way to understand and minimize the risk you face in buying a site from which you hope to generate an income.



### **Not the monetizing type?**

As we saw earlier in this report, monetization may not be among the objectives you have for your site. Does that mean you should ignore monetization data? No way!

Firstly, verifying the revenue figures may give you a sense of the seller’s credibility and willingness to help the ownership transition go smoothly. Equally important is the fact that, although you may not want to concern yourself with monetizing the site now, you may change your mind at a later date (those hosting a domain registration bills do add up, even on a site that’s a labor of love). So you’ll want to have access to the site’s revenue history, and an understanding of the figures, before you make the decision to buy.

Currently, there’s no way to verify the authenticity of either screenshots or videos of site owners accessing the site’s traffic stats. This information can be faked—some dishonest site owners may even present vetted stats from another similar site in

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<sup>7</sup> <http://flippa.com/blog/value-of-websites-for-sale-with-potential-revenue/>

place of those for the site you're considering! It's important to check whatever information is supplied very carefully indeed, and use your other research to try to ascertain the honesty of the site owner overall.

## Content

Unique content is where the value is at in the online space. Content and intellectual property are assets. Plagiarism is rife on the Web, and it's illegal. No copycat sites ever manage to maintain a good search rank, and if you own a site that contains illegally reproduced content—images, files, or text—you'll be legally liable for each and every one of those copyright infringements.

If you're prepared to invest your hard-earned dollars in a website, make sure you own the content of the site you buy. Ask the seller specifically if the site sale includes transfer of content and IP *ownership*, not just the rights to *use* the content or IP.

Content includes all aspects of a site: its brand, design or layout, text content, imagery, downloadable files, code, and more. When you're buying a site, confirm which of that website's assets you'll own exclusive rights to, and which are reused under Creative Commons<sup>8</sup> or similar licenses.

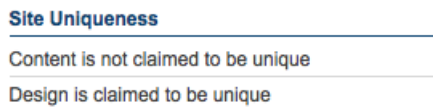
Do not assume that the seller's word is a guarantee of copyright compliance. Some sellers may try to deliberately mislead you, but some may have bought the site earlier on the assumption that the content is all original, and may not realize that this is not the case. Still others will have a very loose grasp of what copyright actually entails, and what constitutes an infringement. Always do your own research.

A good place to start is to look at the site seller's history—check the sites they've sold in the past. If they've previously sold what look like different versions of the site you're considering, take a close look at the content—it may well be the same on all sites. In that case, you can be sure that you won't own that content.

More website listing sites are now providing information on the uniqueness of site content since plagiarism has become such an issue for site buyers. On Flippa, the seller is asked to state whether the site's content and design are unique, and that information is presented as part of the listing, as you can see here.

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<sup>8</sup> <http://creativecommons.org/>



Site Uniqueness
Content is not claimed to be unique
Design is claimed to be unique

Figure 3.6. Flippa's uniqueness information

The extended due diligence for the listing also reveals how many potential copies the site has online, as shown below.

**C** **Copyscape: 16 potential copies** [Look closer at potential copies of the content on this site](#)

Figure 3.7. Copyscape warnings displaying in the listing's Extended Due Diligence data

If the listed site appears to have copies around the Web, you may be looking at a website that doesn't contain unique content, as is the case in the example shown here. Note that "copies" may not be cases where another person has copied the content from the site you're considering, and published it themselves. It may be that the site that's listed for sale itself contains copies of content from elsewhere.

In either case, look closely at any copies so that you understand what's going on, and can hypothesize from an informed position about what that may mean for the future success of the site you're assessing. And regardless of the information in the listing, do some sleuthing of your own. Cut and paste a few sentences from the site into a search engine, put quotation marks around them, and check out the results of your search. If those sentences are replicated elsewhere online, look more closely at the site's content to ensure that you're purchasing legitimate content.



### He said, she said

If there's a dispute around the ownership of the site's content—the owner says the content's theirs, but it seems to belong to someone else—try accessing past versions of the sites in the Wayback Machine.<sup>9</sup> You might be able to track down the date of first publication of the information, and solve the dispute once and for all.

## Extras

Many listings will offer “extras” along with the site. The seller may throw additional related domain names, social media accounts, transition support, or other bonuses into the sale. Sometimes these sweeteners are used to try to add value to a poor offering; other times, they may legitimately be included as part of a package sale that makes logical business sense.

Flippa provides WHOIS information on the main domain for the website being sold, as you can see in the image below. However, it's a good idea to confirm ownership of all the domains included in the sale, check the activity, longevity, and popularity of the social media accounts listed, and confirm, in the listing's comments, exactly what sort of transition support is offered.

<b>W Domain Information</b>		
Registration Date	28th Feb, 2011	Taken from the domain's WHOIS information.
Registrar	GoDaddy.com, Inc.	<a href="#">View full WHOIS data as collected at listing time</a>
<b>WARNING:</b> Recent domain registration ( <a href="#">find out what this means</a> )		

Figure 3.8. WHOIS data for the listing's main domain on Flippa

Inspect any extras that are included in the deal very closely, and consider what value they may represent both now and in the future. By the time you've got to this point in your assessment of a website for sale, you'll likely be comfortable with the other factors we've already discussed. But these extras—related domains, social media handles—could give you a jump-start on taking ownership of the site, and clear opportunities for expansion or development. It's important that you assess them carefully, and understand what they represent.

<sup>9</sup> <http://www.archive.org/>



### Other information

Of course, Flippa listings contain a range of other information about each website, including PageRank, Alexa Rank, Google links, Compete Rank, SEOmoz Rank, and more. This information may or may not be important to you—that will depend on the goals you have for your site. But do take a look around the listing and Due Diligence pages to familiarize yourself with the available data, and understand what it means for you.

Also, don't neglect to look further afield for information on the website you're buying. Searching forums (perhaps using the Google Groups<sup>10</sup> archive) for discussions about the site, the services and products it provides, and/or its owners might turn up some interesting tidbits of information from real-world users.

## Knowing the seller

The site looks good ... but what about the seller? Many a promising sale has fallen through due to bad buyer–seller relations. And many a successful transfer of ownership has been undermined by a seller who was careless or uninterested in the future of the site they were selling.

Getting to know the site's seller is an important part of reaching a decision about a site purchase. If you have any doubts about them, look deeper—at their exchanges with other potential buyers, with the site's users, staff, or associates, and so on. To be truly confident about the site in question, you must be confident in the person selling it.

On Flippa, getting to know the seller involves a number of steps.

### Checking seller feedback and trust ratings

Each seller has a trust rating, and feedback percentage. The trust rating comprises a number of factors, as shown here.

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<sup>10</sup> <http://groups.google.com/>



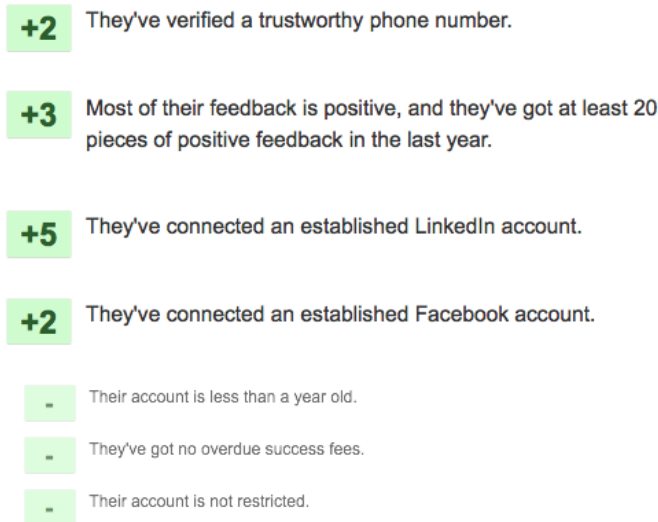


Figure 3.9. Trust rating components for a seller on Flippa

The higher the trust rating, the better the seller's credentials appear in terms of these factors.

However, there are other factors that come into a seller's credibility—the way they work with buyers, the approach they take to site transfer and payment acceptance, and so on. The Feedback score reflects these less tangible factors. It appears, with the trust rating information, alongside the seller profile on the listing page, like so.

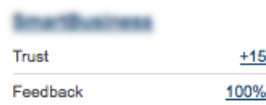


Figure 3.10. Seller credentials display on the website listing page

The percentage figure reflects the percentage of positive feedback that has been left about that seller. To access the feedback itself, click on the percentage link. You'll see a page like the one shown below—which should give you a good idea of what you can expect if you engage in a transaction with this seller.

Feedback for **SmartBusiness**



SmartBusiness (+15)

Feedback: 100% Positive

Telephone Verified: Yes

Member Since: Jun 3rd, 2010

Last Activity: Mar 3rd, 2011

Country: United States of America

[View feedback left by user](#)

FEEDBACK	TYPE	FROM	AUCTION	DATE
This seller really has done a very good job ! I am more than satisfied with his ability to deliver what he promises.	positive	Buyer: 	Private	3 months ago
This was my first time buying a website and they made it very easy for me, also provided lot fo marketing information, honest seller, transaction was quick, smooth, very professional and helpful. I wo	positive	Buyer: 	Private	3 months ago
Sells what he says and then some. A good transaction a good seller. Thank you!!	positive	Buyer: 	Private	3 months ago

Figure 3.11. Seller feedback on Flippa

For detailed information on interpreting seller trust and feedback, see the related Flippa Help page.<sup>11</sup>

## Getting testimonials

The next step in the getting-to-know-you journey is to try to get some first-hand testimonials about the seller from other Flippa users who have bought websites from that person. First of all, ask the seller if this is okay with them—do that through the comments section on the listing of the website you’re considering. If they have good feedback, they’ll likely be fine with the idea, so if they say no, try to find out why that is.

Once you have their okay, select two or three other buyers from their feedback list and contact those individuals directly via the Private Message links in their Flippa profiles. Ask them if they can explain to you how the seller acted with them, and for their honest feedback about the seller, the transaction, and the website they bought.

What you’re trying to find out here is how the seller behaves with buyers—whether that person is honest, easy to get in touch with, and reliable to work with. How good are they at solving problems? How well do they adapt to accommodate the different needs of each buyer? These factors are bound to impact the smoothness of the sale and the transition of website ownership to you, so it’s important that you feel comfortable with the answers you receive. And if you need to clarify anything

<sup>11</sup> <https://flippa.com/help/seller-feedback>

about the feedback, either with the responding buyers or the seller, be sure to do so.

## Asking for name and location

On Flippa, like most website listing sites, buyers and sellers are identified by usernames and personal details are kept private. If you're seriously considering a website, ask the owner if they can private-message you their name and street address. If you've already established your interest in the website by asking the seller questions, discussing the website with them, and contacting past buyers they've worked with, they should be happy to give you this information. If they can't trust you with it, you probably don't have the strong relationship you'll need to have the sale go smoothly.



### Swapsies

If the seller's apprehensive about sharing their name and location, offer to give them your own personal details first. This shows that you're genuine and may help to establish a sense of trust between the two of you.

You may be able to double-check the location information they give you with a local phone directory, or against the information listed for their domain ownership in WHOIS. But the main point here is to get a sense of whether the seller is open and trusting, and, therefore, whether you can trust them.

## Reviewing the sales history

If your seller has sold properties before through the site, or is selling some now, that information should be included in their profile. On Flippa, it's displayed as shown here.

RECENT LISTINGS	BIDS	PRICE	ENDING	LISTED
<a href="#">Huge MOVIE Website - 56000 movies, Automated Money Maker autoblog</a> <a href="#">Buy It Now</a>	2 bids <a href="#">Buy It Now</a>	<b>\$6</b> \$350	2 days	23 hours ago
<a href="#">VIDEO GAMES site, 1400 Games &amp; Trailers, PS3 PS2 Wii Xbox - 100% Automated</a> <a href="#">Buy It Now</a>	1 bids <a href="#">Buy It Now</a>	<b>\$1</b> \$320	19 hours	Yesterday
<a href="#">Profitable PayPerClick SE website, 7 Profit Sources - Great Business</a> <a href="#">Buy It Now</a>	6 bids <a href="#">Buy It Now</a>	<b>\$140</b> \$320	4 hours	Yesterday
<a href="#">Instant Profit - TRAFFIC RESELLER Business &amp; Website - Free Support</a> <a href="#">Buy It Now</a>	0 bids <a href="#">Buy It Now</a>	<b>\$1</b> \$280	4 hours ago	2 days ago
<a href="#">HEALTH and BEAUTY PPC SE &amp; Shopping Portal, multiple revenue streams</a> <a href="#">Buy It Now</a>	9 bids <a href="#">Buy It Now</a>	<b>\$150</b> \$280	4 hours	2 days ago
<a href="#">HOT DATING &amp; PERSONALS Website - Instant Profit - 100% Automated</a> <a href="#">Buy It Now</a>	14 bids <a href="#">Buy It Now</a>	<b>\$170</b> \$280	3 hours	2 days ago
<a href="#">Instant Profit - TRAFFIC RESELLER Business &amp; Website - Free Support</a> <a href="#">Buy It Now</a>	17 bids <a href="#">Buy It Now</a>	<b>\$190</b> \$280	16 hours ago	4 days ago
<a href="#">Huge MOVIE Website - 56000 movies, Automated Money Maker autoblog</a> <a href="#">Buy It Now</a>	19 bids <a href="#">Buy It Now</a>	<b>\$220</b> \$350	2 days ago	5 days ago
<a href="#">Profitable PayPerClick SE website, 7 Profit Sources - Great Business</a> <a href="#">Buy It Now</a>	20 bids <a href="#">Buy It Now</a>	<b>\$320</b> \$320	2 days ago	5 days ago
<a href="#">VIDEO GAMES site, 1400 Games &amp; Trailers, PS3 PS2 Wii Xbox - 100% Automated</a> <a href="#">Buy It Now</a>	16 bids <a href="#">Buy It Now</a>	<b>\$320</b> \$320	2 days ago	5 days ago

Figure 3.12. Viewing the sales history on Flippa

This listing shows each sale, the pricing details, and how many bids the site received. You can click on the links to access the sales listings, check out the comments, and get a feel for how the sale went down—or is progressing.

Past performance is a good indicator of future performance, so if your research reveals some aspects of the seller's approach that make you uncomfortable, do consider those. Maybe you'll discuss them with the seller and resolve your apprehension. Or maybe they'll tip you off to potential issues that will dissuade you from progressing with the purchase.

## Understanding the reason for selling

A question buyers often ask is, "If this site is so great, why would you want to let it go?"

Understanding the seller's reasons for selling may provide with you with insight into the struggles the current owner has faced—information that could be valuable as you assess your own ability to develop the website further. They may have other interests that they want to focus on in the same space, which may increase the competition you'll face if you make the purchase. Perhaps they've neglected the site due to other priorities, so it's actually lost value in recent times.

A discussion of the reasons for selling may reveal opportunities that you weren't previously aware of. Perhaps you can use your skills to promote the site in ways, or markets, in which the current owner has no experience. Perhaps the hurdles that have stopped them from progressing the site are comparatively easy for you to overcome.

If the seller's getting out because they see no future in the niche, the site, or the audience, or they've struggled to monetize the site, they'll be unlikely to tell you outright. Still, you may be able to glean this information from the data you've reviewed and the discussions you've had, and it should give you pause. Think very hard about whether this purchase is for you. And if you don't trust the reasons the seller has given you for the sale, again, you'd be wise not to proceed with the sale.

## Common traps to avoid

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Doing your due diligence on a sale is essential. Only once you've thoroughly investigated the website and the seller, and assessed that information in light of your goals and capabilities, can you tell a promising listing from a poor one.

That said, there are a number of common sale review traps that you should avoid. If you see any of these elements in a sale you're looking at, back off and reassess your position.

### **Deleted comments**

If a seller has deleted a number of comments from the sale listing, look out. A seller may delete one or two irrelevant comments, but ideally, they won't feel the need to delete any comments from a listing. Deleted comments may indicate that they have something to hide. Note also that not all website listing sites show a deleted comment count.

### **Talk of "potential"**

Be very careful around seller promises of "potential"—in terms of sales, market size, or revenue. Ignore promises of overnight success, and remember: there's no such thing as a 100% passive sustainable income. That would be money for nothing, and we all know that's not a reality.

### Uniqueness

Check to ensure that the design and content of the site are unique, using the tips provided above. Also check with the buyer to ensure that the intellectual property rights to the design, content, and code are included with the sale, if that's important to you.

### Domain registration date

Domains can only be transferred from a registrar once 60 days have passed from the date of registration. If you buy a site whose domain is younger than this, you won't be able to transfer the domain to the registrar of your choice until that time period has elapsed. If that will cause problems for you, this sale may not be the one you're after.

### Hosting arrangements

Make sure you understand the hosting arrangements for the site you're considering. Again, some hosts lock site owners into plans that can be expensive or difficult to break. If having control over the site's hosting is important to you, make sure that the sale won't lock you into using a particular hosting arrangement.

### Guarantees

Buyer guarantees are not allowed on Flippa. If a seller offers you a guarantee outside of their listing, you should remember that it will be largely unenforceable; often, such "guarantees" also come with tricky conditions (e.g. "get backlinks from Microsoft to boost SEO").

## Putting it all together

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As we've seen in this chapter, Flippa collects, checks, and presents as much information on each sale as possible. But as a buyer, you need to do your own research on any website you're considering *before you place a bid*.

Don't assume that the fact that a website's listed for sale on a site like Flippa means it's legitimate. Also, don't take the facts and figures presented by a seller at face value—always look more deeply into the data, the site, and the sellers themselves. This is the only way to minimize the risks inherent in website trading—and the number of sleepless nights you're likely to endure.

You've done well to get to this point. Perhaps your research has paid off and you've found a site you'd like to bid on, and a seller you'd like to buy from. Let's turn our thoughts to what's involved in engaging in a website auction.





# Chapter 4

## Engage in the auction

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This is it: the point at which all the time, research, and consideration you’ve put into a potential website comes to the fore. Bidding for a website is different from clicking around on eBay. For one thing, you’ll have hundreds or thousands of dollars at stake. For another, the investment you’ve put into the website already—before you place a bid—means that you have a lot riding on the outcome.

Keep in mind, too, that the way you behave in the auction will affect your trust rankings and the feedback you receive on the site. If you want to continue to buy and sell properties on Flippa, or establish an admirable reputation online—and who doesn’t want that?!—you’ll need to conduct yourself well throughout the auction, regardless of what happens.

In this chapter, we’ll cover the key aspects to remember as the auction or sale progresses.

## When to bid

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Website sales and auctions move quickly, and none of us wants to let a dream opportunity pass by. The important thing to remember if you’re feeling pressured

about a sale is that there are plenty more fish in the sea. Many's the bidder who's missed out on a sale only to snap up something better suited to their needs in the following weeks. Don't let yourself fall into the this-is-the-one trap.

To play it safe, it's best not to bid on a website until a number of criteria are met. They're explained in the checklist below.

### Example 4.1. Pre-bid checklist

- Have you set a spending limit?
- Have you conducted thorough research on the website?
- Are you satisfied that the site can meet the objectives and exit strategy you defined?
- Are you confident that the buyer's claims about the site are truthful?
- Have you verified crucial information about revenues, traffic, and content ownership?
- Are you satisfied with the domain, hosting and IP arrangements for the site?
- Have you conducted thorough research on the seller?
- Do you trust the seller?
- Are you comfortable with all of the terms of sale?

If you answered “no” to any of these questions, you are not ready to bid on the website.

Trust your instincts when you're preparing to bid on a website: if something seems dubious, it probably is. Avoid the pain, hassle, and disappointment of making a bad mistake by only bidding on properties that meet the criteria outlined here.



### Accepted bids are legally binding

On Flippa, if your bid is accepted, it becomes a legally binding commitment to buy. So don't bid before you're 100% certain you want the website.

## What you're buying

What exactly are you buying here? If you don't know, don't bid. Use the comments tool on the website listing to firm up any details of the sale that you're not sure about—including transfer of funds, transfer of the site, and any other fine points. Don't leave anything to interpretation, and be polite but firm about getting the information you need from the seller.

A reputable seller will respect and understand your need for full disclosure, and will be happy to accommodate you. If they're not, don't bid.



### Do I need a contract of sale?

As you discuss the website with the seller, and conduct your research, you may decide that you'd like to use a contract of sale in the event that you win the auction. In that case, discuss that with the seller, and ensure that they have time to review the contract before the sale or auction ends. The contract of sale might include the terms of the transaction, as well as outlining what assets are included in the sale, where they're located, how they'll be transferred, and so on, and can help to clarify the transaction for both parties.

The Flippa Help pages contain more information on using contracts of sale.<sup>1</sup>

## What to bid

Back in Chapter 1, we set a spending limit for your purchase, and in Chapter 2, we refined this into a budget that took into account the amounts you might need to spend to bring the site up to a standard at which you're happy to operate for a while. Your assessment of potential properties should have included mini-budgets in which you worked out how much you'd need to spend on getting each website up to a standard you're satisfied with, and those budgets will come in handy as you begin to place bids. Know what your limit is, and commit to it before you place a bid.

On Flippa, the seller may reject your bid. There may be any number of reasons for this, so if you're curious, contact the bidder and ask them about it. You may find

<sup>1</sup> <https://flippa.com/help/contract-of-sale>

that they’ve already earmarked a buyer that they’d prefer to sell to, for example, or that they felt your bid wasn’t serious. In that case, you can offer to negotiate with them on the price and sale inclusions.

Given the fact that you may end up negotiating with a seller, don’t go for broke with your initial bid. Try to pace yourself (and your funds!) so that you can outlast some of the other potential buyers who might be competing with you.



### Should I Buy It Now?

The Buy It Now feature on website auction sites allows you to purchase the website on the spot for the value shown. On Flippa, it appears as shown below.

Figure 4.1. Flippa’s Buy It Now option

By using this option, you do cut out potential competition, and increase your chance of winning the auction or sale, but in the process, you lose your ability to negotiate. By clicking “Buy It Now,” you accept the terms of the sale as they are, so you forfeit the chance to see where the auction or sale leads, and to make the most of that process. Only you can balance the pros and cons of such a decision—and they’re likely to be different for each website you consider. For more on the Buy It Now feature, see Flippa’s Help pages.<sup>2</sup>

Don’t ever exceed the spending limit you’ve set. You created your budget for the acquisition in a calm, well-informed state of mind, but you may bid from a less rational position. Don’t let emotion overcome common sense, though: you made a budget with good reason. By cutting corners or trying to rejig the budget to free up funds for the website purchase at the last minute, you may undermine your potential for success in the long run. Perhaps you’ll have the site, but not enough ready cash

<sup>2</sup> <https://flippa.com/help/topics/buyitnow>

to overhaul the design or pay for the advertising that was going to be your first step toward achieving your goals for the site.



### Why are they bidding so much?

Don't use the number or value of bids on a website as an indicator of that website's worth. If others outbid you for a website, that may be because they have different plans for it than you have. Perhaps they already own properties that they can leverage to develop the site in question. Maybe they have access to skills or experience that you'd have to pay market rates for. Understand the value of each individual opportunity before you bid. And remember: its value to you may be different from its value to someone else.

Don't fall into this trap. Bid only what you can afford, bid rationally, and pace your bidding so that you can outlast others and, potentially, win the website.

## Putting it all together

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Bidding is an exciting time, but it's important to keep it in perspective. Only bid once you're 100% sure that you want the website, and remember that an accepted bid is legally binding.

Don't get carried away by the moment, or obsessed by the actions of other bidders—just focus on your intentions, hold that budget figure firmly in mind, and keep your eye on the prize. With determination, good timing, and a little luck, that website you've been researching could be yours!



# Chapter 5

## Complete the transaction

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You bid ... and you won! Congratulations: you're now the proud owner of a new website. Er ... well, it's not in your possession *yet*. All you know is you're legally bound to pay the seller the full amount you bid. So, what happens now?

In this chapter, we'll step through the after-sale process you need to follow to ensure that the transaction goes smoothly, and the digital assets you've bought are in your hot little hands ASAP. We'll also show you how to avoid the common traps to which new buyers often fall prey.

## Making it yours

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At the end of the sale or auction, you'll be notified—by email or RSS, whichever method you've chosen—if you've won the website. How can you ensure that the transfer of funds and digital assets takes place without a hitch? The best approach involves three elements.

## Getting in touch

Contact the seller *immediately* once you hear you've won the auction—before you crack open the champagne, call your friends, or start dreaming of your bright future as an online entrepreneur.

It's essential that you get in touch with the seller immediately simply because this sets the tone for the transfer process. It shows the seller that you're serious—you're not just some fly-by-nighter who's bid but won't pay up. Contacting the seller straight away proves that you're enthusiastic about the site and its future, and you're eager to get the transfer process started. What seller doesn't want that?

If you bought a website on Flippa, you'll automatically receive an email containing the seller's contact details so you can get in touch. You can, of course, contact them through the private message system on the site as well.

In that contact, you might ask how they'd like to proceed, mention your preferences for transfer timeframes, and so on—understanding, of course, that you'll need to honor the terms of the sale, which we'll talk about more in a moment. The important thing here is to get a conversation going about the transfer, and to do that as soon as you can.

## Taking the time

Transferring a site—and the payment for it—can take time. Depending on the site you bought, it can also be a delicate process.

Firstly, there's the question of payment. To protect both buyer and seller, escrow services are often recommended. With escrow, you set up an account with a third-party provider like Escrow.com, and transfer the payment into that account. The escrow service acts as a middleman, holding onto the funds until they're satisfied that the transfer of the site has been completed. Once both buyer and seller have confirmed the transfer, the funds are released to the seller.

Another option that some buyers and sellers use is that the buyer transfers 50% of the funds to the seller first up. The seller then transfers the website and domain name to the buyer's hosting account, and finally the buyer transfers the remaining 50% of the sale price to the seller. As you can see, this option requires an amount of trust on both the buyer's and seller's parts. Things can go wrong—and disagree-



ments can arise—during the transfer. That’s why escrow is recommended in most cases. It can be a good way to keep the emotions out of the equation, and maintain the objectivity and professionalism needed to transfer the website smoothly.

Next, the nature of the site’s brand—and audience—may need to be considered. Perhaps the site has a passionate community, loyal following, or large order volumes. In such cases, you and the seller may need to move carefully to ensure that the transfer is seen as a positive development by those customers and users who feel they have a stake in what you’ve bought. The transfer process might begin with the site owner announcing to the community that they’re moving on. They may want to introduce you to their community and perhaps set you up as a contributor to the site so that you can start engaging with the audience as soon as possible, as well as while the site transfer takes place.

Finally, the actual transfer of the site’s files, account ownership, and digital assets needs to be completed. Even if the site is relatively straightforward, transferring it to new servers, for example, without major hiccups will take some preparation and patience. So don’t rush the transfer process at any step. While you might be itching to get into the driver’s seat, conducting the transfer well is much more important than conducting it quickly.

This article on Flippa<sup>1</sup> explains the steps involved in transferring a WordPress site, and many of these steps will apply to the transfer of any site:

1. As the buyer, you’ll need to set up a hosting account that meets the requirements of the site you’ve bought. You may decide to accept the site files from the seller, or give the seller access to your hosting account so that they can upload the files there themselves, and make sure everything’s working before they walk away.
2. The seller will then need to save all the files associated with the site and its functionality—including databases. They’ll likely need to compress those files into an archive, as there’ll be a lot of them. If you’re setting up the site on your new hosting account yourself, they’ll need to get those file archives to you safely and securely.

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<sup>1</sup> <https://flippa.com/help/transfer-a-wordpress-site>

3. Whether it's you or the seller, whoever's responsible for setting up the site on your new hosting account will need to upload the file archives, extract the files they contain into the right locations, and test the site to make sure everything's working properly.
4. Once that's done, the seller will need to transfer the ownership of the site's domain name to you, and either you or they will need to update the domain name server (DNS) records to resolve to your new host. Remember, this change will take a little while to propagate through the various domain name servers around the world, so the redirection won't take effect immediately.
5. Finally, you'll need to update the login details for any third-party accounts—forums, social media, or other services—that the seller has included with the sale, so that you, and you alone, have access to them.

The benefits of moving through the transfer process at a reasonable pace include the fact that, along the way, you'll be more likely to identify elements of the website that you have questions about. Site sellers may take for granted aspects of the website that are completely new for you. While they may not have thought to put any sale terms or information together around those aspects, you may need help with them in order for the site transition to go well. You'll want to have the breathing space to identify this during the transfer, so that you can get the help you need from the seller, rather than after the fact, when you're on your own.

## Honoring the terms

Flippa sellers usually specify payment terms and transfer timeframes for the sale. During the bidding process, you may further flesh out or alter those arrangements, but you must be prepared to honor the terms of the sale—whatever they may be—at the point at which your bid is accepted. As we saw earlier, if you're not happy with any aspect of the sale or auction, you won't bid. By bidding, you accept the terms of the transaction. So be diligent about honoring them.

A seller may specify all kinds of terms for the sale, including how the transfer of parts of the website will be made, what kind of payment service they want to use, how long after transfer they're willing to provide you with support and advice, and so on. Meet these terms, and you'll keep the seller happy—something that could be extremely valuable if, for example:

- you'll be operating your new site in a market in which the seller will be maintaining a presence as a peer or competitor
- you find you need a little extra help or assistance with some aspect of the site
- you want to gain a good Flippa feedback rating from the seller, and possibly use them as a reference for future transactions on Flippa

Reputations matter online, and the way you conduct yourself during the transfer process is sure to repay you later. News travels fast in online niches, so doing the wrong thing by the site seller is sure to get around to others within the market space you've just entered. Do the right thing, and you'll have a better chance of making lasting and valuable contacts within your niche—including the seller of the site.

## Common traps to avoid

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The path to site ownership has its fair share of pitfalls. Those that commonly crop up during the transfer period include the following:

### **Hosting misperceptions**

Some sellers may try to keep you on their existing hosting plan, and reduce the amount of work they have to do during the transfer, by telling you that the site can't be moved to a different host. This is rarely, if ever, the case. Rather than taking the seller's word on this point, contact their host directly and make your own inquiries. You'll likely find that the site can indeed be moved to whichever host you prefer.

### **Recurring payments**

Occasionally, a less-than-scrupulous seller will try to tie to the sale terms an agreement by which you make recurring payments to them—perhaps a percentage of revenues—into the future. Avoid these kinds of sales. When you buy a website, you want to own it outright, and enjoy all the rewards from the hard work that you put into it. Even if you feel you'll be able to negotiate that requirement out of the sale terms, the fact that the seller has tried to implement it suggests that they're probably not completely aboveboard—you may face other hidden problems if you purchase the site.

### Assumptions about the transfer

The way in which sellers like to transfer their properties to new owners varies, so make sure that you're entirely certain of the finer details of the transfer arrangements. Don't assume information about anything that's not clearly stated: ask the seller. Don't be worried about looking new or inexperienced; remember: the objective here is to reduce the risk surrounding the purchase as much as possible, and if that means checking that the dates the seller has specified are in MM/DD/YY format and not DD/MM/YY format, so be it. Swallow your pride now, and save yourself some serious headaches later.

### “It'll be okay”

If any of the seller's terms make you uneasy, don't bid for the website. Once your bid is accepted, it's legally binding, so if you win, you'll need to pay up. There's nothing worse than paying good money for a website if, in your heart, you feel dubious or uncertain about it. Many sellers will happily negotiate transaction and transfer terms with the right buyer, but if the seller of a website you're considering won't budge on an aspect of the sale that has you squirming in your seat, walk away without bidding.

For more information on staying safe on Flippa, read the Website Buyer Safety Tips.<sup>2</sup>

## Putting it all together

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In this brief chapter, we touched on the three factors that will set the foundations for a successful website transfer: getting in touch with the seller as soon as you hear you've won the website, taking the time to get the transfer right, and diligently honoring the terms of the sale that you agreed to by placing your bid.

We saw how your behavior during the transfer has the potential to impact not just how smoothly the transfer itself is achieved, but also your reputation on Flippa and within your new online niche. Do things the right way, and you may even be able to call on the site seller to provide a reference for you the next time you're looking to buy or sell a site on Flippa.

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<sup>2</sup> <https://flippa.com/help/website-buyer-safety-tips>

Finally, we discussed the four most common pitfalls that await the new site buyer. These pitfalls aren't restricted to those who are new to buying websites—even experienced sellers can get cocky or overly excited about a website and throw caution to the wind, with dire consequences. Don't take the risk: stay safe by clarifying all the details of the sale, and doing your own detailed research, before you commit to buying with a bid.

In the next and final chapter, we take a moment to consider the worst-case scenario: you buy a site, and the transfer goes off the rails. What then? Keep reading to find out.



# Chapter 6

## What if it all goes wrong?

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Most sales go swimmingly. There's a website listing, a successful bid, and a hassle-free transfer of website and payment.

But sometimes, buying websites can turn out to be something of an adventure, complete with dark woods, shady characters, and bloodthirsty hounds. Fortunately, these occasions are few and far between, and their likelihood is directly proportional to the amount of research you undertake before you bid.

On the other hand, there are times when life throws up unexpected hurdles, and at those times, you might find yourself asking any of the following three questions.

## What if I change my mind?

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So, you placed a bid on a website, and now you want to retract it. As we've seen in the preceding chapters, all accepted bids are legally binding, so backing out once you've bid is extremely hard to do—you'll have to throw yourself on the mercy of the seller. If their desire to sell the site outweighs their empathy over your mistake, they'll likely exercise their right to say no to your request, and you'll need to pay

up. Bear in mind the seller has taken the time to create, promote and manage their website auction, so the last thing they want to do is start again.

What if you've happily made a bid, won the sale or auction, and then decided that you want to change your mind? Well, you're in real difficulty. In accepting your bid, the seller will have declined other valid offers. They trusted your commitment to buying the website—that's why they chose you as winner. So they're unlikely to be feeling charitable if you decide after all is said and done that, actually, you don't want the website anyway. In fact, this scenario is every seller's worst nightmare.

Accordingly, this is the root of many website disputes. You can ask the seller to release you from the agreement you made by successfully bidding on their website—and offer to pay the re-listing fee that will need to be covered if they're to set up a new sale or auction on Flippa. But don't expect them to agree. They will, rightfully, be extremely disappointed, and they'll probably report you to the Flippa support team who will likely suspend you from the Flippa marketplace for good. You won't ever be able to buy or sell on Flippa again.

If you've bought a website, and then decide that you don't want it, the best option is to re-list for sale or auction yourself once it's in your possession. In your listing, explain why you've decided to sell it as-is. Bidders who competed with you to buy the website when it was first listed will likely want to know why you're offloading it, so be open with them, and other potential buyers, about the reasons for your turnaround. Honesty is the best policy: you made a mistake, you've done the honorable thing, and that will come across in your dealings with potential buyers.

You'll also remain on good terms with the seller, which, as we've already seen, could be of great benefit to you in your future dealings on Flippa, or within the niche you're seeking to join.

## What if the seller doesn't deliver?

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This is every *buyer's* worst nightmare: you've done all the research, made a bid in good faith, and won the website ... only to find out that the seller has no intention of delivering what they said they would. Perhaps they seem to be overlooking part of the deal, or maybe they refuse to respond to any contacts you make once you send payment through. What should you do?



First of all, don't panic. A day's silence may simply point to some unexpected event cropping up in the seller's life. Before you panic, try everything you can to resolve the issue with the seller. Contact them using every means you have available. Ask if everything's okay and express your concern over their non-contact, explaining that you're beginning to feel apprehensive. A legitimate seller worth their salt will rush to respond positively and allay your fears—after all, they want to maintain their good feedback rating on Flippa too.

If you're having a difference of opinion over a part of the sale, do your best to work it out with the seller themselves. Talk it through, explain your position, and listen to theirs. If you wind up having to agree that you've misunderstood each other, there may be room to negotiate a new outcome that suits you both and preempts any ill-will that might eventuate otherwise. In all cases, do your utmost to work with the seller to arrive at an outcome that's positive for you both.

Once you've made that effort, if it hasn't been successful, you can raise a dispute over the sale with Flippa.<sup>1</sup> You can ask Flippa support staff to check the seller and contact them to inquire about the transfer.

If you've already paid for a website that the seller fails to deliver, you can ask for a reversal on the payment from the payment provider you used—PayPal, your credit card provider, your bank, and so on.



### Use escrow

As we saw in the previous chapter, Flippa offers escrow services to help avoid situations of non-payment and non-delivery. If you want maximum peace of mind in a sale, invite the seller to use escrow services to handle the transfer of payment. More details of escrow services are available at Flippa.<sup>2</sup>

Remember that most sellers are ethical, genuine people who want to wrap up a good transaction with a happy buyer. If you've been burned, treat it as a learning experience for the next time you consider buying a website. Don't let it put you out of the game altogether!

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<sup>1</sup> <https://flippa.com/help/disputes>

<sup>2</sup> <https://flippa.com/help/escrow>

## What if I'm in over my head?

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Taking up ownership of a new website will entail a learning curve, no matter how experienced you may be. Don't panic! If you find that you're in over your head once you begin operating the site you've bought, well, you're in a fabulous position to learn a few things.

Step back for a moment from the pressures and worries you're feeling, and realize that this is an opportunity. Technology bigwigs and startup CEOs may make it look easy, but behind the scenes, they're all learning all the time. And now you're in the same boat. How will you handle it?

First up, identify the areas where you're facing trouble. Break down that overwhelmed feeling you've been battling and look at it more closely. What, really, are the problems? Write those issues down. Then contact the site's seller, and see if they'll allow you to pick their brains for insights into how to tackle those hurdles. Although their time is likely to be limited, they may be able to point you in a direction that lightens the load or gives you a clear way forward—which may be all you need.

Alternatively, you may find that you need to upskill if you're really to make the most of this website you've bought. That's easily done—sites like SitePoint exist for precisely that purpose.<sup>3</sup> As well as great technical books, articles, and blogs, that site offers friendly forums where experienced designers, developers, and site owners will be pleased to help you out. Advice, resources, courses, and new friends are all on offer there.

Perhaps, though, the skills you need are beyond your capabilities or interests. Let's face it: deep down, we're *not* all would-be designers, marketers-in-waiting, or closet coders. If you need skills that you can't or don't want to learn, consider buying them. Hiring a freelancer at a site like the SitePoint Market,<sup>4</sup> or seeking design through a quality crowdsourcing service such as 99designs,<sup>5</sup> are solid options for time-poor website owners in need of expert help.

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<sup>3</sup> <http://www.sitepoint.com/>

<sup>4</sup> <http://sitepointmarket.com/>

<sup>5</sup> <http://99designs.com/>

## Putting it all together

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Despite the best intentions and research, buying a website can sometimes leave us feeling stressed, strung out, and dissatisfied. In this chapter, we've explored three of the most common questions that new site owners find themselves asking when problems arise.

In each case, we've discussed possible ways in which you can seek to rectify the situation without compromising your ethics, reputation, or self-respect. Finding that you're dissatisfied with a sale is challenging; overcoming that dissatisfaction to find solutions that work for everyone concerned has the potential to be extremely rewarding. It can reinforce the fact that buying websites is fun, engrossing, and worthwhile—and that's before you've even begun to develop the site according to your plans!

In the world of website buying, many opportunities await those buyers who have the skills to plan, research, and take ownership of digital assets. This guide has given you the introduction you need to successfully purchase a worthwhile website. The question is: where will you go from there? And the answer? Well, that's up to you.

## Where to now?

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You now have a sound understanding of what it takes to plan, research, and successfully purchase a website that meets your needs. What's next?

- Refresh your learning with Flippa's online site-buying primer: <https://flippa.com/help/buy>
- Read our Getting Started guide: <https://flippa.com/help/topics/gettingstarted>
- Subscribe to our blog's RSS feed, to stay up to date on site-buying news: <https://flippa.com/blog/feed/>
- Start browsing the Websites for Sale on Flippa: <https://flippa.com/buy/>



# Chapter 7

## Website buyer's checklist

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This checklist is included as a general summary of the information we've covered in this resource. You'll likely need to adapt it to suit your needs and the types of properties you're looking at, but it should provide a good basic roadmap for your website buying journey.

### 1. Define yourself:

- motivations and interests
- technical skills
- marketing skills
- available time
- available funds and payback expectations
- exit strategy

### 2. Set search parameters:

- site topic or niche
- desired technologies
- technologies to avoid
- budget or price limit

3. Set up automated search alerts.

4. Review the site:

- traffic levels
- revenue
- content considerations
- extra items or bonuses included with the sale

5. Review the seller:

- Check feedback and trust rankings.
- Review testimonials from other buyers.
- Ask for the seller's name and location.
- Review their sales history.
- Understand why they're selling the site.

6. Make your bid.

7. Complete the transfer:

- Contact the seller.
- Arrange payment transfer as agreed—either part transfer, or full transfer to an escrow account.
- Set up a hosting account.
- Transfer the site files.
- Test the site.
- Transfer domain ownership.
- Update the DNS records with your new hosting details.
- Update any social media or other third-party-service accounts with your login details.
- Complete payment, or release the funds from escrow.